

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-1719/1	Introduction Number AB-77
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Subject
 Minimum wage; increase

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
 - Increase Existing Appropriations
 - Decrease Existing Appropriations
 - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
 - Yes No
- Decrease Costs

Local:

- No Local Government Costs
- Indeterminate
 - 1. Increase Costs 3. Increase Revenue
 - Permissive Mandatory Permissive Mandatory
 - 2. Decrease Costs 4. Decrease Revenue
 - Permissive Mandatory Permissive Mandatory
- 5. Types of Local Government Units Affected
 - Towns Village Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.445(1)(a)

Agency/Prepared By	Authorized Signature	Date
DWD/ Robert Anderson (608) 266-3345	JoAnna Richard (608) 266-3131	2/7/2005

Fiscal Estimate Narratives

DWD 2/7/2005

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Assumptions Used in Arriving at Fiscal Estimate

The department anticipates in the initial year after passage this bill will generate about 20 complaints alleging non-payment of minimum wage. The department believes it can absorb this increased workload.

Passage of this bill will require the department to update its minimum wage regulations. The department believes it can update the regulations to reflect the changes in this bill at no cost.

Local government units who currently employ individuals at the minimum wage will incur increased costs when the minimum wage is increased. It is estimated about 1,000 government employees may be impacted. The positions affected range from janitors, child care workers, parking monitors, etc. While government units have a number of persons employed in these types of occupations only a small number will be directly affected by the full increase since most workers are already earning more than the current minimum rate proposed in this bill. The department lacks adequate statistical information to determine exactly how much this increase will cost any individual local unit of government.

The department will incur one-time costs of about \$50,000 to print new minimum wage posters and brochures and publicize the bill's changes by sending a mass mailing to businesses in the state.

Long-Range Fiscal Implications

None.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Minimum wage; increase			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
The department will spend approximately \$50,000 to print new minimum wage posters and brochures and to publicize the new minimum pay requirements by sending Wisconsin employers a mailing.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$0	0
(FTE Position Changes)		(0.0 FTE)	(0.0 FTE)
State Operations - Other Costs		0	0
Local Assistance		0	0
Aids to Individuals or Organizations		0	0
TOTAL State Costs by Category		\$0	\$0
B. State Costs by Source of Funds			
GPR		0	0
FED		0	0
PRO/PRS		0	0
SEG/SEG-S		0	0
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$0	\$0
GPR Earned		0	0
FED		0	0
PRO/PRS		0	0
SEG/SEG-S		0	0
TOTAL State Revenues		\$0	\$0
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$0	\$
NET CHANGE IN REVENUE		\$0	\$
Agency/Prepared By		Authorized Signature	Date
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